



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

September 22, 2010

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To: Supervisor Gloria Molina, Chair  
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From: William T Fujioka  
Chief Executive Officer

## SACRAMENTO UPDATE

This memorandum contains an update on the State Budget, a pursuit of a County position to support funding restoration for the Physical Performance Testing Program and the status of a County-advocacy measure relating to property tax overpayments.

### State Budget

The Governor and the four Legislative leaders, also known as the Big Five, are scheduled to resume negotiations on the State Budget today at 1:00 p.m. The State Budget is now 83 days overdue. The Big Five met last on September 16, 2010, but no major announcements were made other than indicating progress was being made.

As previously reported, the Governor's FY 2010-11 May Revision proposes to address the State Budget shortfall through major program reductions to various health and human services, including the elimination of the CalWORKs and Child Care programs, while the Democratic Budget proposal rejects many of the programs reductions proposed by the Governor, and instead relies on increased revenues assumptions from the delay of corporate taxes, creation of an oil severance tax, and a complex tax scheme which would permanently increase the Vehicle License Fee, raise the Personal Income Tax while reducing the State sales tax rate. The two sides essentially disagree over \$4.0 billion to \$5.0 billion in budget solutions to solve the State's \$19.1 billion deficit in FY 2010-11.

*"To Enrich Lives Through Effective And Caring Service"*

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**Pursuit of County Position on a State Budget Item**

On August 4, 2010, the Budget Conference Committee voted to suspend funding for the Physical Performance Testing Program for three years for an estimated savings of \$2.3 million. This program requires local school districts to administer and report annually the results of fitness testing on all 5th, 7th and 9th grade students attending public schools. The fitness tests include measurements of height, weight and other measurements which are used by the Department of Public Health (DPH) to track the childhood obesity epidemic. This dataset, which includes height and weight measurements on nearly 300,000 students in the County each year, has been a valuable source of information for identifying schools and communities in greatest need of prevention and supportive services, and to help secure grant funding for these services. DPH indicates that this data was a key element in its successful effort to secure \$16.1 million in Federal American Recovery and Reinvestment Act funding for obesity prevention programs in the County. Nearly \$3.0 million was provided directly to local school districts to support physical education and improve school nutrition programs, and the remaining funds are being used to support cities and communities in their efforts to create healthier environments for children.

In addition, physical performance testing has been used by school districts to educate students and their parents on the importance of physical activity and to support efforts to improve physical education practices within schools. Research studies have documented that the provision of high quality physical education is among the most effective strategies for increasing physical activity and help reduce obesity in children.

The Department of Public Health indicates that the suspension of the Physical Performance Testing Program would be a major setback in its efforts to reverse the childhood obesity epidemic in Los Angeles County and across the state. Though school districts face profound budget challenges, both the Los Angeles Unified School District and the Los Angeles County Office of Education are on record as opposing the suspension of this program.

The Department of Public Health and this office support maintaining funding for the Physical Performance Testing Program. Therefore, consistent with existing Board policy to support measures which establish, enhance or fund educational curriculum that encourage physical activity and reduce the prevalence of obesity, **the Sacramento advocates will seek funding restoration for the Physical Performance Testing Program.**

Each Supervisor  
September 22, 2010  
Page 3

**Status of County-Advocacy Legislation**

**County-supported AB 900 (De La Torre and De Leon)**, which as amended on August 27, 2010, would allow property tax overpayments, plus applicable interest, to be refunded directly to the City of Bell property homeowners who were inappropriately taxed, was signed by Lieutenant Governor Abel Maldonado on September, 13, 2010, and it is Chapter 223, Statutes of 2010. AB 900 is an urgency measure and therefore becomes effective immediately.

We will continue to keep you advised.

WTF:RA  
MR:VE:sb

c: All Department Heads  
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